



## **Budget Unit: Transportation Budget Indirect Cost Recoveries to the General Fund**

**BU Number: 6450S740810**

**BU Number: 6450S300137**

### **Purpose and History**

There are a myriad of intra-governmental services provided by centralized agencies to the whole of state government for which state general fund moneys are appropriated. Some of the agencies include the Legislative Branch, the Governor's Office, the Department of Management, the State Accounting Enterprise (SAE) of the Department of Administrative Services (DAS), and the State Treasurer's Office. Under the Statewide Indirect Cost Allocation Plan (SWICAP), created pursuant to Iowa Code section 8A.505, the proportional cost of the services provided by these agencies are recouped from nongeneral fund operating accounts to offset these costs to the extent allowable. The amounts paid by each nongeneral fund operating account are determined by the department receiving the nongeneral fund appropriation and approved by the SAE. Payments for SWICAP indirect cost recovery are deposited directly to the state general fund. The SWICAP is a calculation made by departments of state government that is separate and distinct from the federal indirect cost recovery rate calculated by many agencies for use with the relevant federal agency for the federal funding received.

### **State Funding**

The Department of Transportation (DOT) receives appropriations from both the Road Use Tax Fund (RUTF) and the Primary Road Fund (PRF) to pay indirect cost recoveries through the DAS to the General Fund. These payments are not related to those fees billed directly to agencies by the DAS for entrepreneurial services such as human resources management, buildings and grounds, information technology services, or by the State Auditor's Office for financial audit, or other direct bill services.

### **Related Statute**

[Iowa Code section 8A.505](#)

### **More Information**

Iowa General Assembly: <https://www.legis.iowa.gov/index.aspx>

Department of Transportation: <http://www.iowadot.gov/>

LSA Staff Contact: Dave Heuton (515-725-0509) [david.heuton@legis.iowa.gov](mailto:david.heuton@legis.iowa.gov)